



BEFORE THE ARIZONA CORPORATION COMMISSION

Arizona Corporation Commission

COMMISSIONERS

DOCKETED

JEFF HATCH-MILLER, Chairman  
WILLIAM A. MUNDELL  
MARC SPITZER  
MIKE GLEASON  
KRISTIN K. MAYES

DEC 09 2005

DOCKETED BY *CA*

IN THE MATTER OF THE APPLICATION OF  
INMATE CALLING SOLUTIONS, LLC FOR A  
CERTIFICATE OF CONVENIENCE AND  
NECESSITY TO PROVIDE CUSTOMER-OWNED  
PAY TELEPHONE SERVICE.

DOCKET NO. T-04294A-04-0879

DECISION NO. 68341

ORDER

Open Meeting  
December 6 and 7, 2005  
Phoenix, Arizona

BY THE COMMISSION:

Having considered the entire record herein and being fully advised in the premises, the Commission finds, concludes, and orders that:

FINDINGS OF FACT

1. On December 9, 2004, Inmate Calling Solutions, LLC ("Applicant") filed with the Arizona Corporation Commission ("Commission") an application for a Certificate of Convenience and Necessity ("Certificate") to provide customer-owned pay telephone ("COPT") service in the State of Arizona.

2. On February 24, 2005, the Commission's Utilities Division Staff ("Staff") filed a letter of insufficiency and first set of data requests to Applicant.

3. On July 25, 2005, Applicant filed responses to Staff's first set of data requests.

4. On September 26, 2005, Applicant amended its original application to provide service in accordance with the rates, charges, terms and conditions contained within the Generic COPT Tariff. The rate sheet submitted with the amendment indicated that Applicant's rates fall within the rates allowed in the Generic COPT Tariff.

5. On October 5, 2005, Applicant filed additional information requested by Staff.

6. In Decision No. 55817 (December 10, 1987), the Commission found that COPT

1 providers were public service corporations subject to the jurisdiction of the Commission.

2 7. In Decision No. 57797 (April 8, 1992), the Commission adopted A.A.C. R14-2-901  
3 through R14-2-909 to regulate COPT providers.

4 8. Decision No. 58535 (February 14, 1994) adopted a Generic Tariff that establishes  
5 rates and minimum service standards applicable to COPT service.

6 9. Pursuant to A.R.S. § 40-282, the Commission may issue Decisions regarding COPT  
7 Certificates without a hearing.

8 10. Applicant has requested that a Certificate be granted and has indicated that it will  
9 provide COPT service pursuant to the rates, terms and conditions specified in the Generic COPT Tariff.

10 11. The Applicant requested a waiver of the posting and disclosure requirements.  
11 Applicant's payphones will only be used in correctional facilities and calls placed by inmates are  
12 limited to collect or prepaid only. For security reasons, placards are not allowed to be posted on  
13 telecommunications equipment that is used by inmates. The Applicant stated that any correctional  
14 facility that enters a contract for service will be required to provide information to inmate end users  
15 and their families or called parties that informs all users of the dialing instructions and the identity,  
16 rates, customer service number and the identity number of the company requesting the authority to  
17 provide COPT service.

18 12. On October 17, 2005, Staff filed a Staff Report recommending approval of the  
19 application and waivers requested by the Applicant. Staff stated that in the past, the Commission has  
20 approved waivers of the posting and disclosure requirements subject to the condition that the  
21 correctional facility provide information to inmate end users and their families or other called parties  
22 that informs all users of the dialing instructions and the identity, rates, customer service number and  
23 identity number of the company requesting the authority to provide COPT service. The Applicant  
24 stated that any correctional facility with which it enters into a contract will be required to provide this  
25 information. Staff therefore believes the Applicant has taken the necessary action to be exempt from  
26 the requirement to provide calling instructions and rate information through the use of a placard  
27 affixed to the telephone.

28 13. Staff stated that the Applicant provides prepaid calling cards to inmates, with the rates

1 and charges for these prepaid services shown on the reverse side of the prepaid calling cards.  
2 Further, rate details are provided to the inmates at the point of purchase within the correctional  
3 facility.

4 14. The Applicant stated that before any charges are assessed and upon request, rate  
5 quotes will be made available to the caller and called party for collect calls at the time the call is  
6 placed. Additionally, rate quotes are provided via an automated announcement during the call set-up  
7 process and prior to call acceptance, and the called party may listen to the rates and choose to refuse  
8 the call without incurring any charges.

9 15. Staff stated that the Applicant also requested the following waivers to the Generic  
10 COPT Tariff because it is providing service in correctional facilities:

11 (a) At the request of the correctional facility, the Applicant will arrange to block  
12 access to other carriers, 911, directory assistance and specified dialing sequences (1+800;  
13 10XXX, 976-XXXX, etc.).

14 (b) At the request of the correctional facility, the Applicant will arrange to block  
15 incoming calls.

16 (c) At the request or specifications of the correctional facility, the Applicant will  
17 limit the availability of service to inmates.

18 (d) At the request of the correctional facility, the Applicant will limit service to  
19 collect calling and correctional facility provided prepaid calling cards only.

20 16. Staff stated that the Applicant's requests for waivers of the Generic COPT Tariff as  
21 stated in Finding of Fact No. 15 are consistent with waivers granted to other providers of COPT  
22 services in correctional facilities and should be granted in this matter as well.

### 23 CONCLUSIONS OF LAW

24 1. Applicant is a public service corporation within the meaning of Article XV of the  
25 Arizona Constitution and A.R.S. §§ 40-281 and 40-282.

26 2. The Commission has jurisdiction over Applicant and the subject matter of the  
27 application.

28 3. The provision of COPT service in Arizona by Applicant is in the public interest.

1 4. Applicant is a fit and proper entity to receive a Certificate for providing COPT service  
2 in Arizona.

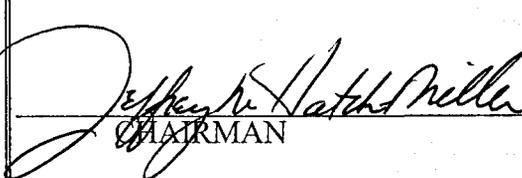
3 5. Staff's recommendation is reasonable and should be adopted.

4 **ORDER**

5 IT IS THEREFORE ORDERED that the Application of Inmate Calling Solutions, LLC for a  
6 Certificate of Convenience and Necessity for authority to provide customer-owned pay telephone  
7 service in Arizona shall be, and is, hereby granted.

8 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

9 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

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11   
12 CHAIRMAN

  
COMMISSIONER

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15 COMMISSIONER

  
COMMISSIONER

  
COMMISSIONER

16  
17 IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive  
18 Director of the Arizona Corporation Commission, have  
19 hereunto set my hand and caused the official seal of the  
20 Commission to be affixed at the Capitol, in the City of Phoenix,  
21 this 9<sup>th</sup> day of Dec., 2005.

  
21 BRIAN C. McNEIL  
22 EXECUTIVE DIRECTOR

23 DISSENT \_\_\_\_\_

24 DISSENT \_\_\_\_\_

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SERVICE LIST FOR: INMATE CALLING SOLUTIONS, LLC

DOCKET NO: T-04294A-04-0879

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